



News Release

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SBA Disaster Relief in Aftermath of Summer Hurricanes Tops \$1 Billion

WASHINGTON – The U.S. Small Business Administration has approved more than \$1 billion in low-interest disaster loans to about 33,600 residents and business owners in the areas affected by the late-summer rash of deadly hurricanes and floods.

More than one million disaster loan applications have been issued to residents and business owners in the 14 states and Puerto Rico that suffered losses after four major hurricanes struck the region beginning August 13 with Hurricane Charley. With application deadlines extended to January 3 for residents and business owners in Florida and Alabama, the final loan making total will surpass the \$1 billion in disaster loans approved after the September 11, 2001 terrorist attacks. The largest disaster ever handled by the agency was the 1994 Northridge (California) earthquake, when the SBA approved more than 124,000 disaster loans for \$4 billion.

"I'm proud of the work the SBA has done and the assistance we've provided to those affected by last summer's hurricanes," said SBA Administrator Hector V. Barreto. "The public can be assured that we will continue to maintain our presence in the disaster areas, providing the financing to help individuals and small business owners get back on their feet and rebuild their lives."

The SBA makes low-interest disaster loans to homeowners, renters, and non-farm businesses of all sizes. Homeowners may borrow up to \$200,000 to repair disaster damaged primary residences. Homeowners and renters are eligible for loans up to \$40,000 to replace personal property such as furniture and clothing. Loans of up to \$1.5 million are available to eligible businesses of all sizes and non-profit organizations to repair damage to real estate, machinery, equipment and inventory. Economic Injury Disaster Loans (EIDLs) of up to \$1.5 million are also available to small businesses unable to pay bills or meet operating expenses.

Interest rates can be as low as 3.187 percent for homeowners and renters and 2.9 percent for businesses, with terms up to 30 years. Loan amounts and terms are set by the SBA and are based upon each applicant's financial condition.

To be considered for all forms of federal recovery assistance, disaster victims must first call the Federal Emergency Management Agency (FEMA) at 1-800-621-FEMA (3362).

For more information about SBA's disaster assistance program, visit SBA's Web site at www.sba.gov/disaster.

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